



U.S. Immigration
and Customs
Enforcement

News Release

February 28, 2005

EXECUTIVES OF COMPANY LINKED TO NUMEROUS LOCAL INTERNET CHILD PORN CASES PLEAD GUILTY

LOS ANGELES — Two top executives for a Belarus Internet billing company tied to the largest Internet child pornography investigation ever undertaken pleaded guilty in federal court in New Jersey today to child pornography and money laundering charges. The probe into Regpay Co., LTD led to more than 1,000 arrests worldwide, including more than 20 here in the Los Angeles area.

The probe began when U.S. Immigration and Customs Enforcement (ICE) agents in Newark, N.J. began investigating allegations that Regpay was providing credit card billing services for some 50 child pornography websites worldwide and operating child porn websites on its own.

Regpay's president, Yahor Zalatarou, 26, and its technical administrator, Aliaksandr Boika, 30, pleaded guilty to federal charges today. Having dismantled Regpay's leadership, ICE is focusing on those who purchased child pornography subscriptions from its client websites.

Locally, those arrested in connection with the ongoing investigation include several teachers, a family care physician, and a medal-winning firefighter. Below is a synopsis of some of the local cases:

TEACHERS

Special education teacher, Los Angeles: Rodney Orlando Chadderton, a 31-year-old former special education teacher at a Los Angeles area high school, was sentenced February 7 in Los Angeles County Superior Court on charges stemming from the Regpay investigation. U.S. Immigration and Customs Enforcement (ICE) agents searched Chadderton's residence in November 2003 and discovered child pornography on his computer. Chadderton, who was prosecuted by the Los Angeles City Attorney's Office, was convicted on one count of possession of child pornography and one count of duplicating child pornography. He was sentenced to 36 months probation and 45 days in county jail. He will also be required to register as a sex offender and undergo psychological evaluation and treatment.

El Sereno Middle School, Los Angeles: James Deetz, a former seventh-grade math teacher, is set to go on trial in Los Angeles County Court in Alhambra later this month for possession of child pornography. In February of last year, ICE agents executed a search warrant at the 44-year-old's Alhambra apartment and recovered child pornography obtained over the Internet. In July 2004, Deetz resigned his teaching position. Deetz's pretrial hearing is set for today.

Monte Vista Elementary School, Los Angeles: On June 23, 2004, fourth-grade teacher Mark Oglesby, 44, was convicted in county court on charges of possessing child pornography. In January of last year, ICE agents executed a search warrant at Oglesby's residence and recovered more than 4,000 images of children engaging in sexually explicit conduct. In June 2004, Oglesby resigned his teaching position at Monte Vista School. Following his conviction, Oglesby's teaching credentials in the State of California were revoked. He is currently appealing his conviction.

Accelerated School, Los Angeles: On August 17, 2004, Corey Lay pleaded no contest to possession of child pornography charges in county court. The 36-year-old man formerly served as a fourth-grade teacher at the Accelerated School in Los Angeles. ICE agents executed a search warrant at Lay's home in December 2003 and discovered child pornography on one of his computers. Lay is now a registered sex offender.

Taft High School, Los Angeles: Michael Helwig, a 64-year-old math teacher, was convicted on October 12, 2004, of three criminal counts involving the possession and duplication of child pornography stemming from the Regpay investigation. The case was prosecuted by the Los Angeles City Attorney's Office. In addition to a jail sentence and probation, Helwig is now barred from holding a teaching position involving minors or having contact with minors unless an adult is present. The court also required Helwig to make a \$500 donation to the National Center for Missing and Exploited Children (NCMEC).

Carr Intermediate School, Santa Ana: In December 2003, ICE agents executed a search warrant at the home of Santa Ana teacher Farid Hassan and seized several computers. Child pornography was discovered on at least one of the computers. On November 30, 2004, the 36-year-old accepted a plea agreement and was sentenced to three years probation.

Cabrillo High School: Samir "Sam" Hussain, a former English teacher and girls track coach, was indicted by a federal grand jury in June 2004 for possession of child pornography based on leads generated by the Regpay investigation. The 37-year-old subsequently pleaded guilty to one count of possession of child pornography and is awaiting sentencing. School district officials placed Hussain on paid administrative leave in October 2003 when they learned of the investigation. He resigned his teaching position in March 2004.

CAMP COUNSELOR

A former counselor at the Alpine Camp and Conference Center in Blue Jay, California who was sentenced to 25 years in prison for molesting at least four minors at the Christian camp now faces federal charges in connection with the Regpay investigation. Jason Paul Hemenway, 27, was initially arrested in April 2003 by Riverside and San Bernardino County Sheriff's detectives for lewd and lascivious acts with a child under 14. ICE agents joined the investigation when Hemenway's name surfaced as a subscriber to two child pornography sites during the Regpay probe. ICE agents recovered sexually explicit images depicting children from Hemenway's computers. Hemenway was indicted by a federal grand jury for possessing and receiving child pornography. A date for Hemenway's federal trial has not yet been set.

PHYSICIAN

Clayton Carr, a licensed general family practice physician, is charged with possession and duplication of child pornography based on leads generated by the Regpay investigation. In March 2004, ICE agents served a search warrant at Carr's Irvine residence and recovered some 200 CD ROM's containing more than 50,000 images and movie files depicting child pornography. ICE agents also seized a videotape featuring more than 20 scenes of children engaging in sexually explicit acts. As a result of the investigation, the California State Medical Board has restricted Carr from practicing medicine on individuals under the age of 21 pending the outcome of the case. Carr's trial is slated to begin March 1st at the Newport Beach Harbor Justice Center.

FIREFIGHTER

Firefighter Michael Brawn pleaded guilty in May 2004 to one count of child pornography and one count of grand theft for using a credit card and Internet account belonging to the West Covina Firefighter's Association to access child pornography websites. On March 20, 2004, the former treasurer for the Association pleaded no contest to one count of grand theft and one count of child pornography. In addition 30 days in county jail, the West Covina firefighter's sentence bars him from having contact with any children under 16 years of age, other than his own. Brawn is also being required to make restitution of more than \$1,000 to the West Covina Firefighters Association.

The Regpay investigation is part of Operation Predator, a nationwide ICE initiative to protect children from sexual predators, including those who travel overseas for sex with minors, Internet child pornographers, criminal alien sex offenders, and child sex traffickers. Since Operation Predator was launched in July 2003, ICE agents have arrested more than 4,900 individuals, including 1,300 in California.

ICE encourages the reporting of suspected child predators and any suspicious activity through its toll-free hotline at 1-866-DHS-2ICE. This hotline is staffed around the clock by investigators. Suspected child sexual exploitation or missing children may be reported to the National Center for Missing & Exploited Children, an Operation Predator partner, at 1-800-843-5678 or <http://www.cybertipline.com>.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.